

### **3.3 Adoption of Statement of Policy and City Council Questions for the Prospective Director of Finance.**

#### **Recommendation:**

Adopt a Statement of Policy and City Council Questions related to the selection of a prospective Director of Finance as described in the staff memorandum, in compliance with City Charter Section 411.1.

CEQA: Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment. (City Manager)



# *Memorandum*

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jennifer A. Maguire

**SUBJECT: SEE BELOW**

**DATE:** September 19, 2024

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**COUNCIL DISTRICT:** Citywide

**SUBJECT: Adoption of Statement of Policy and Questions for the Prospective  
Director of Finance**

## **RECOMMENDATION**

Adopt a Statement of Policy and City Council Questions related to the selection of a prospective Director of Finance as described in this memorandum, in compliance with City Charter Section 411.1.

## **SUMMARY AND OUTCOME**

The results of this action will be City Council input to me regarding the selection of a Director of Finance, in compliance with City Charter provisions.

## **BACKGROUND**

In compliance with City Charter Section 411.1, the City Council has adopted a process for City Council confirmation of Department Director appointments. The process requires that the City Council, prior to meeting with the City Manager's recommended candidate for department head positions that are subject to the City Charter's requirements, adopt a Statement of Policy for the involved department, along with proposed questions for the City Council to present to the City Manager's recommended candidate for the appointment.

At my direction, staff is coordinating the nationwide recruitment efforts with the executive search firm, Alliance Resource Consulting, LLC, for the City's next Finance Director. In the coming weeks, the Administration will conduct an interview process for the position guided by the input provided by the City Council through its adoption of the attached policy and questions, as well as other stakeholder feedback. I will then present my recommended candidate for Director of Finance to the City Council for confirmation

in a Closed Session meeting, along with the written answers to the questions adopted as part of this action. If the City Council confirms my recommended candidate, the appointment will be formally announced at that afternoon's City Council meeting.

## **ANALYSIS**

The proposed Statement of Policy (Attachment A) contains the broad goals, objectives, and aspirations for the department as reflected in the Finance Department's mission, core services, performance measures, and resource allocation as approved by the City Council as part of the 2024-2025 Adopted Budget.

The proposed City Council Questions (Attachment B) reflect those adopted for recent Department Director hiring processes, as well as ones specific to this recruitment. The development of the City Council questions reflects input from current department employees regarding the knowledge, skills, and abilities desired by the next Director of Finance, as well as the challenges and opportunities facing the Finance Department. The questions also build upon the previous meetings the Administration held for the 2022 Finance Director recruitment with the Mayor and individual City Councilmembers, City Auditor, Senior Staff members, the City's external Auditor, Macias, and Gini & O'Connell LLP, and department employees. The City Council may modify, add, or subtract from this list of suggested questions at the October 1, 2024, City Council meeting and, of course, the Mayor and City Council will be able to ask further questions of the recommended candidate during the Closed Session meeting.

The City Council's adoption of a Statement of Policy and City Council Questions for the prospective Director of Finance, as described in this memorandum, is in compliance with City Charter Section 411.1 and is an important step in the evaluation and selection process for a new Finance Director. It is currently anticipated that a recommended candidate will be brought forward for City Council confirmation in November/December 2024, pending the identification of a recommended candidate.

## **EVALUATION AND FOLLOW-UP**

No additional follow-up with the City Council on the Statement of Policy and Questions for the prospective Director of Finance is expected at this time. A recommended candidate is currently expected to be brought forward for City Council confirmation at a Closed Session meeting in November/December 2024, where further discussion will take place regarding the candidate.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the October 1, 2024 City Council agenda.

In addition, the Administration conducted a survey with Finance department employees to gather feedback on the knowledge, skills, and abilities that should be considered for the selection of the Director of Finance, as well as an understanding of the challenges and opportunities facing the Finance Department. Additionally, the questions build upon the former stakeholder outreach conducted for the Finance Director recruitment in 2022 which included the Mayor and City Councilmembers, City Auditor, Senior Staff members, the City's external Auditor, Macias, Gini & O'Connell LLP, and department employees.

### **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

### **CEQA**

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

### **PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in sections 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



Jennifer A. Maguire  
City Manager

For questions, please contact Jennifer Schembri, Deputy City Manager, at (408) 535-8154.

### **Attachments:**

Attachment A: Statement of Policy – Finance Department

Attachment B: City Council Questions – Director of Finance

## STATEMENT OF POLICY FINANCE DEPARTMENT

### Department Mission

To manage, protect, and report on City of San José financial resources to enhance the City's financial condition for residents, businesses, and investors.

### Department Core Services

- **Disbursements** – Facilitate timely and accurate payment of the City's financial obligations.
- **Financial Reporting** – Provide accurate and meaningful reporting on the City's financial condition.
- **Purchasing and Risk Management** – Purchase and provide quality products and services in a cost-effective manner and ensure insurance coverage for the City assets.
- **Revenue Management** – Bill and collect City resources to enhance the City's financial condition.
- **Debt and Treasury Management** – Provide cost-effective financing, investment, and cash collection of the City's resources to maintain and enhance the City's financial condition.
- **Strategic Support** – Analytical Support, Budget/Fiscal Management, Human Resources Management, Contract Administration, Administrative Support, and Emergency Response and Recovery.

### Department Performance Goals

Department performance goals are reflected in the Finance Department's performance measures and its resource allocation in the 2024-2025 Adopted Budget. The Department's Service Delivery Framework is also outlined in the Adopted Budget.

**CITY COUNCIL QUESTIONS  
DIRECTOR OF FINANCE**

1. Please describe your education, experience, and accomplishments, and explain how they have prepared you for this position. What are your strengths and areas for growth?
2. What drives you to seek this position and motivates you to be in public service?
3. Describe your specific experience in the Finance Department's six core services: Disbursements, Financial Reporting, Purchasing and Risk Management, Revenue Management, Debt and Treasury Management, and Strategic Support. How would you approach achieving the performance goals in each of these areas?
4. What are the most important challenges you see for San José's financial direction and the Finance Department over the next five years? Please describe your approach to addressing them, including what actions you would prioritize in your first 12 months.
5. This position requires that the Director of Finance navigate relationships with both internal and external stakeholders. Who do you see as the Department's primary customers? Please describe an example of a significant project you have handled where multiple stakeholders were involved with competing or conflicting goals, and how you helped achieve a satisfactory resolution.

It is essential that City of San José executives demonstrate the City Manager's *One Team* Leadership Values and Expectations in their work. What are your commitments and practices for exceptional work in a One Team environment in a large, complex organization? Provide a strong example of how you developed and sustained key relationships, managed priorities and change across groups, administered resources, ensured performance, and delivered on the shared outcomes your organization defined as important.

6. Provide insight into how you have built and sustained strong teams. What are the practices you use to hire, develop, actively coach, connect with, and manage employee performance, and maintain a high service and high-performance culture? Share how you measure your success as a leader of people. Share how you use compassion and humility to build trust with your teams.
7. Describe your experience in modernizing and implementing new financial systems, including implementing automated processes. Describe how these updates increased productivity or improved processes.
8. The City is one of the highest financially-rated large cities in California and the nation which is the result of decades of demonstrating the commitment of policymakers to disciplined fiscal policies and management's capacity to

implement these decisions over multiple administrations. Describe your specific experience in developing financing strategies, issuing debt and managing a large complex debt portfolio including the types of financing, and your role. Describe your experience in working with financing team participants, including rating agencies, and in delivering presentations and responding to inquiries.

9. Among other financial responsibilities, the Director of Finance is responsible for advising on matters related to the City's financial condition, protecting the financial integrity of the City, and protecting against loss. How would you communicate recommended actions to stakeholders in a balanced and honest manner to ensure well-informed decisions are made?
10. Financial leaders can play a critical role as strategic partners in developing and implementing solutions to address complex community challenges. As the City's finance leader, what role would you play in advancing racial and social equity and in what ways can you support City Departments to enhance their ability to make informed decisions with an equity lens?
11. What is your plan for maintaining good communication with the Mayor and City Council and the City Manager? What is your approach to communicating well with department employees, customers, and peer City departments? How do you develop credibility when establishing working relationships?
12. The City has launched a Customer Service Vision and Standards initiative aimed at improving person-to-person experiences with City residents and businesses as well as staff-to-staff experiences across City departments. As the Director of Finance how will you participate in this initiative and how will you approach and prioritize future recommendations?
13. In a complex organization like the City, we have many competing priorities and not enough resources to accomplish all that our community, employees, and policy leaders desire. Describe how you manage priority setting and manage expectations to achieve a clear work plan and quality, timely results. How have you used constraints to breed resourcefulness, novel approaches, and self-sufficiency?
14. What else should the City Council know about you?